Export Outlook for Cotton

Revised FY 2006 Forecast: Unchanged at \$4.5 billion

Revised FY 2006 Forecasts Upside Developments

- □ Since August, upward revision of 1.87 million bales for the 2005/06 U.S. crop estimate due to favorable weather
- □ Downward revision of 1.5 million bales in China's crop estimate and quality concerns due to rain

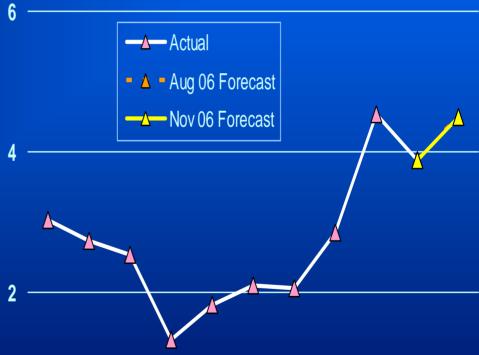
Downside Developments

□ Larger crops in several other exporting countries, Uzbekistan and Greece

Wild Cards

 Cotton share in China spinning
U.S./China textile agreement may impact U.S. cotton opportunities in China





Note: FY '05 and prior years based on U.S Census data; FY '06 forecast based on WASDE MY forecast.

